



Washington, D.C. 20505

24 June 1986

ER 86-2796

The Honorable Les Aspin
Chairman
Committee on Armed Services
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

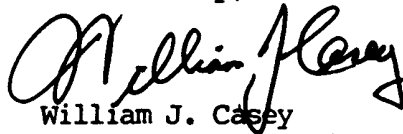
As you are well aware, a major issue before this Congress is the reorganization of the Department of Defense (DoD). In May, the Senate passed H.R. 3622, incorporating their DoD reorganization bill and your Committee will shortly be considering similar legislation as marked up by the Subcommittee on Investigations. I would like to share with you a concern I have with a provision in the Senate-passed bill in the hope that the House bill will not contain such a provision and that remedial action can be taken during conference.

Section 117 of H.R. 3622, as passed by the Senate, requires a 15 percent reduction in the total number of military and civilian personnel assigned in management headquarters or management headquarters support activities in the defense agencies and DoD field activities, and a 10 percent reduction in remaining personnel, as allocated by the Secretary of Defense. NSA is exempted from these reductions. These reductions are to be taken from staffing levels as of 30 September 1985 and implemented no later than 30 September 1988. While I cannot speak to the impact on all these included in this provision, as Director I can state my concern as to the potential impact of these proposed reductions on the Defense Intelligence Agency (DIA). The necessity to provide our nation's decisionmakers with timely and accurate intelligence is ever increasing and, along with it, the importance of DIA's mission within the Intelligence Community. DIA is specifically responsible to ensure the collection and production of military and military-related intelligence to meet national foreign intelligence and counterintelligence needs. DIA is responsible for providing military intelligence support to the Secretary of Defense, the Joint Chiefs of Staff, the CINCs, and other elements of our government. In addition to numerous other responsibilities, the Director of DIA is also the DoD HUMINT Manager. There is no question that the ability to fulfill our nation's intelligence requirements requires strong congressional support for DIA as well as NSA and CIA.

DIA's capability to fulfill its responsibilities, including growing support requirements for the Joint Chiefs of Staff and the CINCs, could be adversely affected by the Senate-proposed personnel reductions. While the Administration is committed to reducing Headquarters staffing, these reductions should not be mandated in statute. I, therefore, am respectfully requesting your support and assistance in maintaining the viability of this important intelligence agency.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration.

Sincerely,



William J. Casey
Director of Central Intelligence

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